

**LSC 130 1519-10**

**130th General Assembly  
Regular Session  
2013-2014**

**Sub. H. B. No. 289**

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**A B I L L**

To amend sections 9.482, 715.691, and 715.771, to 1  
enact sections 715.692 and 715.84, and to repeal 2  
section 715.69 of the Revised Code to terminate 3  
the authority to create new alternative joint 4  
economic development zones (JEDZs) or 5  
substantially modify existing alternative JEDZs 6  
after December 31, 2014, to require the creation 7  
of review councils to approve the economic 8  
development plans for alternative JEDZs created or 9  
substantially amended before that date, to 10  
eliminate municipal-only JEDZs, to authorize 11  
municipal corporations to create municipal utility 12  
districts (MUDs) for economic development 13  
purposes, and to allow existing municipal-only 14  
JEDZs to continue operating as MUDs. 15

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 9.482, 715.691, and 715.771 be 16  
amended and sections 715.692 and 715.84 of the Revised Code be 17  
enacted to read as follows: 18

**Sec. 9.482.** (A) As used in this section, "political 19  
subdivision" has the meaning defined in section 2744.01 of the 20  
Revised Code. 21

(B) When authorized by their respective legislative 22  
authorities, a political subdivision may enter into an agreement 23  
with another political subdivision whereby a contracting political 24  
subdivision agrees to exercise any power, perform any function, or 25  
render any service for another contracting recipient political 26  
subdivision that the contracting recipient political subdivision 27  
is otherwise legally authorized to exercise, perform, or render. 28

In the absence in the agreement of provisions determining by 29  
what officer, office, department, agency, or other authority the 30  
powers and duties of a contracting political subdivision shall be 31  
exercised or performed, the legislative authority of the 32  
contracting political subdivision shall determine and assign the 33  
powers and duties. 34

An agreement shall not suspend the possession by a 35  
contracting recipient political subdivision of any power or 36  
function that is exercised or performed on its behalf by another 37  
contracting political subdivision under the agreement. 38

A political subdivision shall not enter into an agreement to 39  
levy any tax or to exercise, with regard to public moneys, any 40  
investment powers, perform any investment function, or render any 41  
investment service on behalf of a contracting subdivision. Nothing 42  
in this paragraph prohibits a political subdivision from entering 43  
into an agreement to collect, administer, or enforce any tax on 44  
behalf of another political subdivision or to limit the authority 45  
of political subdivisions to create and operate joint economic 46  
development zones ~~or~~ as provided in section 715.691, joint 47  
economic development districts as provided in sections ~~715.69~~ 48  
715.70 to 715.83, or municipal utility districts as provided in 49  
section 715.84 of the Revised Code. 50

(C) No county elected officer may be required to exercise any 51  
power, perform any function, or render any service under an 52  
agreement entered into under this section without the written 53

consent of the county elected officer. No county may enter into an agreement under this section for the exercise, performance, or rendering of any statutory powers, functions, or services of any county elected officer without the written consent of the county elected officer.

(D) No power shall be exercised, no function shall be performed, and no service shall be rendered by a contracting political subdivision pursuant to an agreement entered into under this section within a political subdivision that is not a party to the agreement, without first obtaining the written consent of the political subdivision that is not a party to the agreement and within which the power is to be exercised, a function is to be performed, or a service is to be rendered.

(E) Chapter 2744. of the Revised Code, insofar as it applies to the operation of a political subdivision, applies to the political subdivisions that are parties to an agreement and to their employees when they are rendering a service outside the boundaries of their employing political subdivision under the agreement. Employees acting outside the boundaries of their employing political subdivision while providing a service under an agreement may participate in any pension or indemnity fund established by the political subdivision to the same extent as while they are acting within the boundaries of the political subdivision, and are entitled to all the rights and benefits of Chapter 4123. of the Revised Code to the same extent as while they are performing a service within the boundaries of the political subdivision.

**Sec. 715.691.** (A) As used in this section:

(1) "Contracting party" means a municipal corporation that has entered into a joint economic development zone contract or any party succeeding to the municipal corporation, or a township that

entered into a joint economic development zone contract with a 85  
municipal corporation. 86

(2) "Zone" means a joint economic development zone designated 87  
under this section. 88

(3) "Substantial amendment" means an amendment to a joint 89  
economic development zone contract that increases the rate of 90  
municipal income tax that may be imposed within the zone, changes 91  
the purposes for which municipal income tax revenue derived from 92  
the zone may be used, or changes the area or areas included in the 93  
zone. 94

(B) This section provides ~~alternative~~ procedures and 95  
requirements for creating and operating a joint economic 96  
development zone ~~to those set forth in section 715.69 of the~~ 97  
~~Revised Code.~~ This section applies only if one of the contracting 98  
parties to the zone does not levy a municipal income tax under 99  
Chapter 718. of the Revised Code. ~~A municipal corporation that 100  
does not levy a municipal income tax may enter into an agreement 101  
to create and operate a joint economic development zone under this 102  
section or under section 715.69 of the Revised Code.~~ 103

~~Two~~ At any time before January 1, 2015, two or more municipal 104  
corporations or one or more townships and one or more municipal 105  
corporations may enter into a contract whereby they agree to share 106  
in the costs of improvements for an area or areas located in one 107  
or more of the contracting parties that they designate as a joint 108  
economic development zone for the purpose of facilitating new or 109  
expanded growth for commercial or economic development in the 110  
state. The contract and zone shall meet the requirements of 111  
divisions (B) to (J) of this section. 112

(C) The contract shall set forth each contracting party's 113  
contribution to the joint economic development zone. The 114  
contributions may be in any form that the contracting parties 115

agree to, and may include, but are not limited to, the provision 116  
of services, money, or equipment. The contract may be amended, 117  
renewed, or terminated with the consent of the contracting 118  
parties, subject to division (K) of this section. The contract 119  
shall continue in existence throughout the term it specifies and 120  
shall be binding on the contracting parties and on any entities 121  
succeeding to the contracting parties. If the contract is approved 122  
by the electors of any contracting party under division (F) of 123  
this section or substantially amended after the effective date of 124  
H.B. 289 of the 130th general assembly, the contracting parties 125  
shall include within the contract or the amendment to the contract 126  
an economic development plan for the zone, a schedule for the 127  
implementation or provision of any new, expanded, or additional 128  
services, facilities, or improvements within the zone or in the 129  
area surrounding the zone, and any provisions necessary for the 130  
contracting parties to create a joint economic development review 131  
council in compliance with section 715.692 of the Revised Code. 132

(D) Before the legislative authority of any of the 133  
contracting parties enacts an ordinance or resolution approving a 134  
contract to designate a joint economic development zone, the 135  
legislative authority of each of the contracting parties shall 136  
hold a public hearing concerning the contract and zone. Each 137  
legislative authority shall provide at least thirty days' public 138  
notice of the time and place of the public hearing in a newspaper 139  
of general circulation in the municipal corporation or township. 140  
During the thirty-day period prior to the public hearing, all of 141  
the following documents shall be available for public inspection 142  
in the office of the clerk of the legislative authority of a 143  
municipal corporation that is a contracting party and in the 144  
office of the fiscal officer of a township that is a contracting 145  
party: 146

(1) A copy of the contract designating the zone; 147

(2) A description of the area or areas to be included in the zone, including a map in sufficient detail to denote the specific boundaries of the area or areas;

(3) An economic development plan for the zone that includes a schedule for the provision of any new, expanded, or additional services, facilities, or improvements.

A public hearing held under division (D) of this section shall allow for public comment and recommendations on the contract and zone. The contracting parties may include in the contract any of those recommendations prior to approval of the contract.

(E) After the public hearings required under division (D) of this section have been held and the economic development plan has been approved under division (D) of section 715.692 of the Revised Code, and before January 1, 2015, each contracting party may enact an ordinance or resolution approving the contract to designate a joint economic development zone. After each contracting party has enacted an ordinance or resolution, the clerk of the legislative authority of a municipal corporation that is a contracting party and the fiscal officer of a township that is a contracting party shall file with the board of elections of each county within which a contracting party is located a copy of the ordinance or resolution approving the contract and shall direct the board of elections to submit the ordinance or resolution to the electors of the contracting party on the day of the next general, primary, or special election occurring at least ninety days after the ordinance or resolution is filed with the board of elections. If any of the contracting parties is a township, however, then only the township or townships shall submit the resolution to the electors. The board of elections shall not submit an ordinance or resolution filed under this division to the electors at any election occurring on or after January 1, 2015.

(F)(1) If a vote is required to approve a municipal

corporation as a contracting party to a joint economic development zone under this section, the ballot shall be in the following form:

"Shall the ordinance of the legislative authority of the (city or village) of (name of contracting party) approving the contract with (name of each other contracting party) for the designation of a joint economic development zone be approved?"

	FOR THE ORDINANCE AND CONTRACT
	AGAINST THE ORDINANCE AND CONTRACT

"

(2) If a vote is required to approve a township as a contracting party to a joint economic development zone under this section, the ballot shall be in the following form:

"Shall the resolution of the board of township trustees of the township of (name of contracting party) approving the contract with (name of each other contracting party) for the designation of a joint economic development zone be approved?"

	FOR THE RESOLUTION AND CONTRACT
	AGAINST THE RESOLUTION AND CONTRACT

"

If a majority of the electors of each contracting party voting on the issue vote for the ordinance or resolution and contract, the ordinance or resolution shall become effective immediately and the contract shall go into effect immediately or in accordance with its terms.

(G)(1) A board of directors shall govern each joint economic development zone created under this section ~~715.691 of the Revised Code~~. The members of the board shall be appointed as provided in

the contract. Each of the contracting parties shall appoint three 210  
members to the board. Terms for each member shall be for two 211  
years, each term ending on the same day of the month of the year 212  
as did the term that it succeeds. A member may be reappointed to 213  
the board. 214

(2) Membership on the board is not the holding of a public 215  
office or employment within the meaning of any section of the 216  
Revised Code or any charter provision prohibiting the holding of 217  
other public office or employment. Membership on the board is not 218  
a direct or indirect interest in a contract or expenditure of 219  
money by a municipal corporation, township, county, or other 220  
political subdivision with which a member may be affiliated. 221  
Notwithstanding any provision of law or a charter to the contrary, 222  
no member of the board shall forfeit or be disqualified from 223  
holding any public office or employment by reason of membership on 224  
the board. 225

(3) The board is a public body for the purposes of section 226  
121.22 of the Revised Code. Chapter 2744. of the Revised Code 227  
applies to the board and the zone. 228

(H) The contract may grant to the board of directors 229  
appointed under division (G) of this section the power to adopt a 230  
resolution to levy an income tax within the zone. The income tax 231  
shall be used for the purposes of the zone and for the purposes of 232  
the contracting parties pursuant to the contract. Not less than 233  
fifty per cent of the revenue from the tax shall be used solely to 234  
provide the new, expanded, or additional services, facilities, or 235  
improvements specified in the economic development plan until all 236  
such services, facilities, or improvements have been completed as 237  
specified in that plan. The income tax may be levied in the zone 238  
based on income earned by persons working within the zone and on 239  
the net profits of businesses located in the zone. The income tax 240  
is subject to Chapter 718. of the Revised Code, except that a vote 241

shall be required by the electors residing in the zone to approve 242  
the rate of income tax unless a majority of the electors residing 243  
within the zone, as determined by the total number of votes cast 244  
in the zone for the office of governor at the most recent general 245  
election for that office, submit a petition to the board 246  
requesting that the election provided for in division (H)(1) of 247  
this section not be held. If no electors reside within the zone, 248  
then division (H)(3) of this section applies. The rate of the 249  
income tax shall be no higher than the highest rate being levied 250  
by a municipal corporation that is a party to the contract. 251

(1) The board of directors may levy an income tax at a rate 252  
that is not higher than the highest rate being levied by a 253  
municipal corporation that is a party to the contract, provided 254  
that the rate of the income tax is first submitted to and approved 255  
by the electors of the zone at the succeeding regular or primary 256  
election, or a special election called by the board, occurring 257  
subsequent to ninety days after a certified copy of the resolution 258  
levying the income tax and calling for the election is filed with 259  
the board of elections. If the voters approve the levy of the 260  
income tax, the income tax shall be in force for the full period 261  
of the contract establishing the zone. No election shall be held 262  
under this section if a majority of the electors residing within 263  
the zone, determined as specified in division (H) of this section, 264  
submit a petition to that effect to the board of directors. Any 265  
increase in the rate of an income tax by the board of directors 266  
shall be approved by a vote of the electors of the zone and shall 267  
be in force for the remaining period of the contract establishing 268  
the zone. 269

(2) Whenever a zone is located in the territory of more than 270  
one contracting party, a majority vote of the electors in each of 271  
the several portions of the territory of the contracting parties 272  
constituting the zone approving the levy of the tax is required 273

before it may be imposed under division (H) of this section. 274

(3) If no electors reside in the zone, no election for the 275  
approval or rejection of an income tax shall be held under this 276  
section, provided that where no electors reside in the zone, the 277  
rate of the income tax shall be no higher than the highest rate 278  
being levied by a municipal corporation that is a party to the 279  
contract. 280

(4) The board of directors of a zone levying an income tax 281  
shall enter into an agreement with one of the municipal 282  
corporations that is a party to the contract to administer, 283  
collect, and enforce the income tax on behalf of the zone. 284

(5) The board of directors of a zone shall publish or post 285  
public notice within the zone of any resolution adopted levying an 286  
income tax in the same manner required of municipal corporations 287  
under sections 731.21 and 731.25 of the Revised Code. 288

(I)(1) If for any reason a contracting party reverts to or 289  
has its boundaries changed so that it is classified as a township 290  
that is the entity succeeding to that contracting party, the 291  
township is considered to be a municipal corporation for the 292  
purposes of the contract for the full period of the contract 293  
establishing the joint economic development zone, except that if 294  
that contracting party is administering, collecting, and enforcing 295  
the income tax on behalf of the district as provided in division 296  
(H)(4) of this section, the contract shall be amended to allow one 297  
of the other contracting parties to administer, collect, and 298  
enforce that tax. 299

(2) Notwithstanding any other section of the Revised Code, if 300  
there is any change in the boundaries of a township so that a 301  
municipal corporation once located within the township is no 302  
longer so located, the township shall remain in existence even 303  
though its remaining unincorporated area contains less than 304

twenty-two square miles, if the township has been or becomes a 305  
party to a contract creating a joint economic development zone 306  
under this section or the contract creating that joint economic 307  
development zone under this section is terminated or repudiated 308  
for any reason by any party or person. The township shall continue 309  
its existing status in all respects, including having the same 310  
form of government and the same elected board of trustees as its 311  
governing body. The township shall continue to receive all of its 312  
tax levies and sources of income as a township in accordance with 313  
any section of the Revised Code, whether the levies and sources of 314  
income generate millage within the ten-mill limitation or in 315  
excess of the ten-mill limitation. The name of the township may be 316  
changed to the name of the contracting party appearing in the 317  
contract creating a joint economic development zone under this 318  
section, so long as the name does not conflict with any other name 319  
in the state that has been certified by the secretary of state. 320  
The township shall have all of the powers set out in sections 321  
715.79, 715.80, and 715.81 of the Revised Code. 322

(J) If, after creating and operating a joint economic 323  
development zone under this section, a contracting party that did 324  
not levy a municipal income tax under Chapter 718. of the Revised 325  
Code levies such a tax, the tax shall not apply to the zone for 326  
the full period of the contract establishing the zone, if the 327  
board of directors of the zone has levied an income tax as 328  
provided in division (H) of this section. 329

(K) No substantial amendment may be made to any joint 330  
economic development zone contract after December 31, 2014. 331

**Sec. 715.692.** (A) As used in this section: 332

(1) "Assessed value" means the assessed value of a parcel 333  
listed on the most recent tax list and duplicate or, if the parcel 334  
is exempted from taxation, the list of exempt property, compiled 335

by the county auditor under section 319.28 or 5713.08 of the 336  
Revised Code. 337

(2) "Business" means a sole proprietorship, a corporation for 338  
profit, a pass-through entity as defined in section 5733.04 of the 339  
Revised Code, the federal government, the state, the state's 340  
political subdivisions, a nonprofit organization, or a school 341  
district. 342

(3) "Contracting party" means a municipal corporation, 343  
county, or township that is a party to a joint economic 344  
development zone contract under section 715.691 of the Revised 345  
Code or, if the contract has not yet taken effect, will be a party 346  
to such a contract. 347

(4) A business "operates within" a zone if the net profits of 348  
the business or the income of employees of the business would be 349  
subject to an income tax levied within the zone. 350

(5) "Economic development plan" means the economic 351  
development plan required to be included in a joint economic 352  
development zone contract under division (C) of section 715.691 of 353  
the Revised Code. 354

(6) "Owner" means a partner of a partnership, a member of a 355  
limited liability company, a majority shareholder of an S 356  
corporation, a person with a majority ownership interest in a 357  
pass-through entity, or any officer, employee, or agent with 358  
authority to make decisions legally binding upon a business. 359

(7) "Record owner" means the person or persons in whose name 360  
a parcel is listed on the tax list or exempt list compiled by the 361  
county auditor under section 319.28 or 5713.08 of the Revised 362  
Code. 363

(8) "Substantial amendment" has the same meaning as in 364  
section 715.691 of the Revised Code. 365

(B) Before enacting ordinances or resolutions to approve a joint economic development zone contract under section 715.691 of the Revised Code or adopting a substantial amendment to such a contract, the contracting parties shall create a joint economic development review council. The purpose of the council is to review the economic development plan included in the joint economic development zone contract or amendment to the contract, and either approve the plan or disapprove the plan and provide recommendations to the contracting parties for ways in which the plan may be modified to meet the approval of the council.

The council is a public body for the purposes of section 121.22 of the Revised Code, and it is a public office for the purposes of section 149.43 of the Revised Code. Members of the council shall not be considered to be holding a direct or indirect interest in a contract or expenditure of money by a contracting party because of their affiliation with the council.

(C)(1) The county auditor of the county in which the largest portion of the territory of the zone is located shall serve as chairperson of the joint economic development council. The auditor shall continue in the office of chairperson until the council is dissolved under division (G) of this section or the boundaries of the joint economic development zone are reconfigured by the contracting parties in such a way that a different county contains the largest portion of the territory of the zone.

(2) The contracting parties shall appoint the other members of the council as follows:

(a) One appointed member shall be a person affiliated with an economic development organization that provides services for, or advocates on behalf of, businesses operating within the zone or, if there are no businesses currently operating within the zone, businesses operating in the area surrounding the zone.

(b) One appointed member shall be a member of the public 397  
appointed by joint agreement of the contracting parties. 398

(c) Except as provided by division (C)(2)(d) of this section, 399  
four appointed members shall be owners of businesses operating 400  
within the zone or an individual designated by such an owner. The 401  
contracting parties shall first appoint the owners of the four 402  
businesses that employ the most persons within the zone. If one or 403  
more of these owners is unwilling or unable to serve as a member 404  
of the council or to designate an individual to serve in the 405  
owner's place, the contracting parties shall appoint the owner of 406  
the business that employs the next most number of persons within 407  
the zone until each position to be appointed under this division 408  
is filled. No business may have more than one owner or a designee 409  
thereof serving as a member of the council at any time. 410

(d) If there are not four owners of businesses operating 411  
within the zone who will accept an appointment or designate an 412  
individual to serve on the council as prescribed by division 413  
(C)(2)(c) of this section, the contracting parties shall appoint 414  
record owners of real property located within the zone to the 415  
remaining positions on the council. The contracting parties shall 416  
first appoint the record owner of the parcel or parcels with the 417  
greatest aggregate assessed value within the zone or an individual 418  
designated by that record owner. If the record owner is unwilling 419  
or unable to serve or designate an individual to serve as a member 420  
of the council, the contracting parties shall appoint the record 421  
owner of the parcel or parcels with the next greatest aggregate 422  
assessed value within the zone or an individual designated by that 423  
record owner until each position on the council is filled. If 424  
there are not enough record owners of real property located within 425  
the zone who will accept an appointment or designate an individual 426  
to serve on the council as prescribed by this division, the number 427  
of members of the council shall be reduced accordingly. 428

(D)(1) The joint economic development review council shall 429  
hold at least one public meeting before ordinances or resolutions 430  
are enacted by the contracting parties to approve the contract or 431  
a substantial amendment to the contract. The chairperson shall 432  
provide public notice of the time and place of each meeting in a 433  
newspaper of general circulation in the area or areas to be 434  
included in the zone. Attendance by the chairperson and at least 435  
one-half of the appointed members of the council constitutes a 436  
quorum to conduct the business of the council. 437

(2) At the meeting, the council shall review the economic 438  
development plan for the zone and consider the question of whether 439  
the plan is in the best interests of the zone. The council shall 440  
allow each contracting party, or a representative thereof, the 441  
opportunity to present testimony on the economic development plan 442  
and on any other relevant provisions of the joint economic 443  
development zone contract. The council shall also allow time, 444  
during the meeting or meetings, for public comment and 445  
recommendations on the economic development plan and the joint 446  
economic development zone. The council may hold an executive 447  
session in the manner provided in section 122.22 of the Revised 448  
Code. 449

(3) If the council, by majority vote of the membership of the 450  
council, determines that the plan is in the best interests of the 451  
zone, the plan is thereby approved and the ordinances or 452  
resolutions approving the contract may be enacted as provided in 453  
section 715.691 of the Revised Code; otherwise, the plan is not 454  
approved and such ordinances or resolutions may not be enacted. If 455  
the plan is not approved, the council shall provide 456  
recommendations to the contracting parties for ways in which the 457  
economic development plan may be modified to meet the approval of 458  
the council. Such recommendations shall be in writing and shall be 459  
sent to each contracting party within fourteen days after the vote 460

of the council on the economic development plan. 461

(E) The joint economic development review council shall 462  
dissolve by operation of law upon approving the economic 463  
development plan. 464

(F) The contracting parties shall make appropriations as are 465  
necessary to pay the costs incurred by the council in the exercise 466  
of its functions under this section. The costs incurred by a 467  
council in any year shall not exceed ten thousand dollars. 468

(G) If, on the effective date of H.B. 289 of the 130th 469  
general assembly, the contracting parties to a joint economic 470  
development zone contract have enacted ordinances or resolutions 471  
approving the contract but the contract has not yet been submitted 472  
to the electors under division (F) of section 715.691 of the 473  
Revised Code, the contracting parties shall recall the contract 474  
from the county board of elections and comply with this section as 475  
if the contracting parties had not yet enacted ordinances or 476  
resolutions approving the contract. 477

**Sec. 715.771.** Upon the creation of or addition to a joint 478  
economic development district under section 715.72 or 715.761 of 479  
the Revised Code, one of the contracting parties shall file a copy 480  
of each of the documents described in divisions (A) to (G) of 481  
section 715.76 or division (C) of section 715.761 of the Revised 482  
Code, as applicable, with the director of development. 483

**Sec. 715.84.** (A) As used in this section: 484

(1) "Contracting party" means a municipal corporation that 485  
has entered into a municipal utility district contract or any 486  
party succeeding to such a municipal corporation. 487

(2) "Contract for utility services" means a contract under 488  
which a municipal corporation agrees to provide to another 489  
municipal corporation water, sewer, electric, or other utility 490

services necessary to the public health, safety, and welfare. 491

(3) "Municipal utility district contract" means a contract 492  
described in and entered into under division (B) of this section. 493

(4) "District" means a municipal utility district designated 494  
under this section. 495

(B) Two or more municipal corporations may enter into a 496  
contract whereby they agree to share in the costs of improvements 497  
for an area or areas located in one or more of the contracting 498  
parties that they designate as a municipal utility district for 499  
the purpose of facilitating new or expanded growth for commercial 500  
or economic development in the state. Except as otherwise provided 501  
in division (I) of this section, the contract and district shall 502  
meet the requirements of divisions (B) to (H) of this section. 503

(C) The contract shall set forth each contracting party's 504  
contribution to the municipal utility district. The contributions 505  
may be in any form that the contracting parties agree to, subject 506  
to divisions (G) and (I) of this section, and may include, but are 507  
not limited to, the provision of services, money, or equipment. 508  
The contract may provide for the contracting parties to distribute 509  
among themselves, in the manner they agree to, any municipal 510  
income tax revenues derived from the income earned by persons 511  
employed by businesses that locate within the district after it is 512  
designated by the contracting parties and from the net profits of 513  
such businesses. Except as provided in divisions (G) and (I) of 514  
this section, the contract may be amended, renewed, or terminated 515  
with the consent of the contracting parties. 516

(D) Before the legislative authority of any of the 517  
contracting parties enacts an ordinance approving a contract to 518  
designate a municipal utility district, the legislative authority 519  
of each of the contracting parties shall hold a public hearing 520  
concerning the contract and district. Each such legislative 521

authority shall provide at least thirty days' public notice of the 522  
time and place of the public hearing in a newspaper of general 523  
circulation in the municipal corporation. During the thirty-day 524  
period prior to the public hearing, all of the following documents 525  
shall be available for public inspection in the office of the 526  
clerk of the legislative authority of each of the contracting 527  
parties: 528

(1) A copy of the contract designating the district; 529

(2) A description of the area or areas to be included in the 530  
district, including a map in sufficient detail to denote the 531  
specific boundaries of the area or areas; 532

(3) An economic development plan for the district that 533  
includes a schedule for the provision of any new, expanded, or 534  
additional services, facilities, or improvements. 535

A public hearing held under division (D) of this section 536  
shall allow for public comment and recommendations on the contract 537  
and district. The contracting parties may include in the contract 538  
any of those recommendations prior to approval of the contract. 539

(E) After the public hearings required under division (D) of 540  
this section have been held, each contracting party may enact an 541  
ordinance approving the contract to designate a municipal utility 542  
district. After each contracting party has enacted such an 543  
ordinance, the clerk of the legislative authority of each 544  
contracting party shall file with the board of elections of each 545  
county within which a contracting party is located a copy of the 546  
ordinance approving the contract and shall direct the board of 547  
elections to submit the ordinance to the electors of the 548  
contracting party on the day of the next general, primary, or 549  
special election occurring at least ninety days after the 550  
ordinance is filed with the board of elections. 551

(F) The ballot shall be in the following form: 552

"Shall the ordinance of the legislative authority of the 553  
(city or village) of (name of contracting party) approving the 554  
contract with (name of each other contracting party) for the 555  
designation of a municipal utility district be approved? 556

	<u>FOR THE ORDINANCE AND CONTRACT</u>	
	<u>AGAINST THE ORDINANCE AND CONTRACT</u>	"

If a majority of the electors of each contracting party voting on 561  
the issue vote for the ordinance and contract, the ordinance shall 562  
become effective immediately and the contract shall go into effect 563  
immediately or in accordance with its terms. 564

(G) If two or more contracting parties previously have 565  
entered into a separate contract for utility services, then 566  
amendment, renewal, or termination of the separate contract for 567  
utility services shall not constitute a part of the consideration 568  
for a municipal utility district contract unless the legislative 569  
authority of each contracting party determines all of the 570  
following: 571

(1) That the creation of the municipal utility district will 572  
facilitate new or expanded growth for commercial or economic 573  
development in this state; 574

(2) That substantial consideration exists to support the 575  
municipal utility district contract; 576

(3) That the contracting parties are entering into the 577  
municipal utility district contract freely and without duress or 578  
coercion related to the amendment, renewal, or termination of the 579  
separate contract for utility services. 580

(H) A municipal utility district contract that does not 581  
satisfy division (G) of this section is void and unenforceable. If 582

the contract provides for the extension of utility service or the 583  
provision of utility service at a lower rate than is currently in 584  
effect, any action claiming duress or coercion relating to a 585  
municipal utility district contract may be brought only by a 586  
contracting party, and must be brought before the contracting 587  
parties enter into the municipal utility district contract. The 588  
signing of the municipal utility district contract as authorized 589  
by the contracting parties is conclusive evidence as to the 590  
determinations set forth under division (G) of this section. 591

(I) If one of the contracting parties is an impacted city as 592  
defined in division (C) of section 1728.01 of the Revised Code, 593  
then divisions (D) to (F) of this section shall not apply to the 594  
municipal utility district contract or to the municipal utility 595  
district to which that contract relates unless the contracting 596  
parties agree that those divisions shall apply. 597

(J) Joint economic development zones created under section 598  
715.69 of the Revised Code as that section existed before its 599  
repeal by H.B. 289 of the 130th general assembly shall henceforth 600  
be known as municipal utility districts and shall be subject to 601  
this section without any action of the contracting parties to such 602  
a joint economic development zone contract. The contracting 603  
parties to a joint economic development zone contract that is 604  
pending a public hearing or approval of electors under section 605  
715.69 of the Revised Code on the effective date of H.B. 289 of 606  
the 130th general assembly may continue the process of approving 607  
the contract as provided in this section with the same force and 608  
effect as if the proceedings were conducted pursuant to section 609  
715.69 of the Revised Code. 610

**Section 2.** That existing sections 9.482, 715.691, and 715.771 611  
and section 715.69 of the Revised Code are hereby repealed. 612